

ALD. MERRIAM CALLS BLUFF SPRUNG BY HEAD OF ILL. TELEPHONE AND TELEGRAPH CO.

Pres. Hotchkiss of the Illinois Telephone & Telegraph Co. had a big bluff punctured before council gas-oil committee yesterday. Hotchkiss shook a stiff finger at Ald. Merriam's face and said:

"You know, Ald. Merriam, that you and any member of this committee have been able to get any information you wanted from our company at any time. The books were open and available to you and it's no use for you to tell this committee otherwise."

"I know that former public service commissioner, Montague Ferry, came to this committee and said his men were turned down repeatedly when they went to your offices for important information," said Merriam. "The records of this committee will show that it was so hard to get at the books of your company that we passed an order directing your company to give Ferry and his aids what they wanted. Your attorneys, Mr. Ettelson and Mr. Scuyler, were asked many questions about simple operating matters of the company and they declined to answer."

Kempster B. Miller, telephone engineer, will make a special report to committee in September on the Automatic phone system. Miller was hired by the committee yesterday at \$5,000.

He is phone engineer for receiver in Central Union Telephone Co. fight against Bell monopoly. He was recommended by Stephen Foster, the committee's special counsel and attorney for minority stockholders of Central Union. Miller's fee is \$5,000. Chicago Tunnel Co. will place that amount in escrow. Council may determine who will pay Miller. May decide it don't look good to have expert opinion involving millions of dollars paid for by the tunnel company.

Benny Sunny sort of fooled yesterday. He didn't build up much of a case. He's president of the Chicago, Wisconsin, Michigan and other phone companies and the main guy for the billion-dollar Bell monopoly in the middle west.

He fumbled his answers. Ralph M. Shaw, lawyer for bondholders, would jump in and try to help Sunny. Chairman Sitts and Ald. Utapatel broke in and spoiled Shaw's game of first-aid-to-the-embarrassed.

After Sunny admitted the \$6,300,000 sale price of Automatic system will go onto the books and be added to capital account if the sale is permitted, Walter Fisher, counsel for Mayor Thompson, said:

"Would you then seek to take this \$6,300,000 of added capital into account in making rates to the phone users?"

"Yes," replied Sunny.

"How would you suggest that rate making be controlled by the city?"

"I don't know, I can't say. I—"

It was here Shaw tried to insert a speech and rest the witness. Later, when Shaw got the floor, he said a Daily News editorial had suggested the city be protected. With Bell company officials a plan has been worked out "by which the price vendor pay-vendee shall not be binding upon the city in rate making."

The session was the largest attended of any so far. Ald. Kennedy, Ald. McCormick and Ald. Ray, not members of the committee, were on the job listening. Tomar Deuther, sec'y Greater Chicago Federation; Harriet Vittum, pres. Woman's City club; Morton L. Johnson, pres. Penny Phone league, and many other organizations that believe the city has forfeiture rights were at the session yesterday.

Gas-oil committee meets again Tuesday morning to hear more testimony.